Brazilian Journal of International Relations

ISSN: 2237-7743 | Edição Quadrimestral | volume 8 | edição nº 3 | 2019

India's place in the foreign policy of Brazil: the multilateral nexus

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A Brazilian Journal Of International Relations (BJIR) está indexada no International Political Science Abstracts (IPSA), EBSCO Publishing e Latindex

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Abstract: Cooperation between Brazil and India in multilateral organizations goes back to the 1960s, with common positions in several United Nations' agencies and in the GATT. In the current period, post-Cold War, it has been the strongest characteristic of the relation among both countries, with partnerships in many global fora, such as BRICS, G4, G20, BASIC, and IBSA, with common goals of reforming the international system in order to attend the demands of emerging nations. This affinity – the multilateral nexus - creates possibilities for Brazilian foreign policy regarding an Asia on the rise, including the opportunity for some balancing for the growing influence of China.

Keywords: Brazil; foreign policy; India; multilateral organizations.

Resumo: A cooperação entre Brasil e Índia nas organizações multilaterais remonta à década de 1960, com posições comuns em diversas agências da ONU e no GATT. No período contemporâneo, pós-Guerra Fria, tem sido a característica mais forte da relação entre os dois países, com parcerias em muitos fóruns globais, como BRICS, G4, G20, BASIC, IBAS, com objetivos comuns de reforma do sistema internacional em prol das demandas de nações emergentes. Essa afinidade – o nexo multilateral - cria possibilidades para a política externa brasileira com respeito a uma Ásia em ascensão, inclusive como oportunidade para algum tipo de equilíbrio à influência crescente da China.

Palavras-chave: Brasil; política externa; Índia; organizações multilaterais

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I. Introduction

The international order of the post-Cold War is changing towards a bigger role for Asia, especially because the economic and political rise of China and India. This new global scenario poses challenges to Brazilian foreign policy. This text is an essay with a focus on Brazil-India relations, which aims to enrich the debate about Brazilian diplomacy. India is increasing becoming one of the most important bilateral relationships for Brazil, but there is still scarce academic literature on the subject, at least in comparison with traditional diplomatic partners such as Argentina and the United States.

This article argues that India will have a central place in Brazil's relations with a rising Asia, especially due to the "multilateral nexus": Brasília and Delhi are the only partners that share membership in all of the following fora and organizations: G4, financial and commercial G20, BRICS, BASIC, IBSA (Viana Júnior, 2017). They are building upon a history of successful cooperation during the Cold War that happened in spite of the lack of strong economic bonds or ideological proximity (Bettarello, 2017; Vieira, 2009; Vazquez, 2019).

Their common interests in the management and reform of global governance can be the starting point for deepening bilateral relations, something that would give Brazil a stronger ground to improve initiatives in emerging markets in South and Southeast Asia, and to have more leverage in negotiations with China.

This article starts with an overview of the current relations between Brazil and India and a brief synthesis of their bilateral diplomatic history. After that, the paper discusses the multilateral agenda that both nations have been pursuing in the post-Cold War era. The final section of the text deals with the positive spillovers that the cooperation can have for Brazil in Asia.

II. Brief Overview of Brazil-India Relations

Brazilians often compare India with China – rising Asian powers with giant populations and ancient cultures. The similarities exist, but they lead to misperceptions about what Brazil may expect from each country. Trade and investments dominate the relations with China, for the Chinese have been Brazilian's biggest economic partners for the last 10 years. India is a different story and probably will remain so in the near future. Sino-Brazilian trade is about US\$100 billion per year – a 50x increase since the early 2000s. In contrast, the trade between Brazil and India rose slowly in the 2010s to US\$5 billions. It is an expressive number by itself, but nowhere near the Chinese economic impact.

There is a rich bilateral agenda dealing with many issues, such as defense, culture, education, science and innovation, with potential to grow (Viana Jr, 2017). The relationship greatly improved since the 2000s, when both nations established a strategic partnership, recognizing each other as rising powers of the Global South with common interests²:

Dismal until the early 2000s, bilateral relations gained new momentum with the establishment of the Brazil-India strategic partnership in 2006. Of all the countries in the Latin America and Caribbean region, Brazil remains India's only 'strategic partner' with some identified long-term complementarities, shared global vision and democratic values, and a commitment to foster economic growth with social inclusion for the welfare of their people. The two countries, however, have not yet developed clear strategies towards each other and stereotypes continue to reinforce the existing lack of knowledge between both societies. (Vazquez, 2019: 26)

Naturally, it is the interest of Brasília and Delhi to increase bilateral trade and investment, and to identify business opportunities for companies of their countries. But it is difficult to imagine that the economic side will be the most important aspect of their relations, due to the nature of their societies and few compatibilities between their economies which will be further explored below.

With 43% of the Indian population working in small-scale agriculture³, Delhi has been very cautious concerning the opening of the domestic market towards the agribusiness that is so strong a part of Brazil's exports. Similarly, Brasília has been historically reluctant to open its national sector of services and information technology, which are the biggest share in India's exports. Actually, this divergence was one of the reasons why both nations failed in reaching an agreement at the Doha Round of the World Trade Organization (Vieira and Alden, 2011: p. 513).

History plays a big role in these obstacles. The Portuguese seaborne empire had connected Brazil and the Indian Goa in the past: "the commercial relations between both colonies were accepted by the Portuguese Crown reaching their apex in 1783-1820, to became almost null after the Brazilian independence" (Vieira, 2009: p.44, translated by the author).

There was never a big migration flow between both countries, in contrast with other Asia-Latin America population flows, such as the big Indian diaspora in some Caribbean islands

² An official timeline can be found at http://www.itamaraty.gov.br/index.php?option=com content&view=article&id=5238&Itemid=478&cod pais=I ND&tipo=ficha_pais&lang=pt-BR. Access in December 2019.

³ Source: <u>https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS</u>. Access in January 2019.

and Suriname, or the Brazilian-Japanese migrations. In contrast, during the 1990s there were less than one hundred Brazilians living in India and similar low numbers of Indians in Brazil. (Stuenkel, 2010; Vieira; 2009).

During the second half of the 20th century, Brazil and India pursued inward-looking development models, where the State was an important actor in economic production and protectionist measures restricted imports and tried to stimulate local industry.

The results achieved were very different. Brazilian developmentalism managed big economic growth rate in the 1950s-1970s, but India's "licence Raj" often showed a low performance. Both countries faced financial crisis in the 1980s and started to open their markets in response to that and to the changing international situation. However, they remained economies that do not have a high structural compatibility, and had little trade and investment with each other.

International politics have been an arena where Brazil and India found much more room to cooperate. They share a history of dialogue in several United Nations´ fora, such as the search for trade rules which would benefit more the developing nations (United Nations Conference for Trade and Development, G-77 at the UN, G-10 in the Uruguay Round of GATT) and in common rejection of the Non-Proliferation Treaty during the 1960s-1980s. (Oliveira, 2012; Vieira, 2009: p.49-51).

In the 1960s, there was a big interest from India in developing stronger ties with Latin America in general, and Brazil in particular. It was a response from Jawaharlal Nehru and Indira Gandhi´s administrations to the Cuban Revolution, to the Brazilian Independent Foreign Policy of Jânio Quadros and João Goulart⁴, and to the possibility of including some countries of the region in the Non-Aligned Movement (NAM). Gandhi visited Latin America as prime-minister and discussed the idea of joining the Organization of American States as an observer – which would happen, but just in 1991. (Musto, 2018).

It is interesting to note that this rapprochement happened despite different positions in the Cold War. India was perhaps the most important leader of the NAM and had close relations with the Soviet Union. Brazil was part of the Western Bloc, although it often searched for more autonomy from the United States. Brazilians and Indians were against colonialism and supported self-determination of African and Asian nations, but the strength of Brazil bonds with

⁴ The Independent Foreign Policy was an attempt by the Brazilian governments in the early 1960s to develop a more autonomous diplomacy face the United States and Cold War restraints, establishing or strengthening relations with Eastern Europe and the new nations created by decolonization in Africa and Asia.

Portugal sometimes created contradictions and limitations in these positions, including a hostile reaction to India's takeover of the Portuguese colony of Goa.

Brazil and India market reforms in the 1990s opened the way for stronger relations. Each country saw in the other an important partner, a regional power in a more global world, where international influence was migrating from the West to the rising developing nations. Visits of presidents and prime ministers started to happen more often. There was also an important convergence in terms of economic policy, with the implementation of pro-market reforms such as a more open trade regime.

III. The multilateral nexus in the 21st century

Brasília and Delhi discovered that they had much to gain supporting the other in the new multilateral agendas of the post-Cold War. Together with Germany and Japan they formed the G4 in 2005 to put pressure on the reform of the UN Security Council and establish a permanent place for themselves. In 2006, Brazil and India stablished their own strategic partnership.

At the World Trade Organization (WTO), Brazil and India were key players in the negotiations on Trade-Related Aspects of Intellectual Property Rights (TRIPS) in 1994 and in the use of generic drugs (2001). Both countries were also important in creating the G-20 at the WTO (2003), putting together twenty of the biggest developing nations to discuss trade and other economic issues.

The BASIC group (Brazil, China, India and South Africa) was created in 2009 as an actor in dialogues about climate change, part of a bigger trend that the old G7 is not enough anymore do deal with the complex architecture of the global economy and international politics. (Hurrell et alli, 2009; Vargas, 2010).

This affinity in several global fora became so strong that veteran Indian diplomats would advise their younger colleagues in multilateral organizations that "when in doubt, follow Brazil's position" (quoted in Viana Júnior, 2017, p. 104, translated by the author).

The cooperation between Brazil and India is also an important part of the story of the peaceful rise of China. The participation of these two big democracies in the BRICS helped to ease tensions that the group would follow the authoritarian practices of Beijing and Moscow. This became even more important in 2014 with the creation of the New Development Bank and of the Asian Infrastructure Investment Bank. Both have big investment portfolio in several nations and deal with strategic issues such as energy and transport.

Brazil, India - and South Africa as a junior partner - are the soft face of the BRICS. Together with their own initiative, the IBSA Forum, they can act as brokers between the West, civil society organizations and China and Russia, at least in issues like human rights, democracy, and the protection of minorities.

At the same time, they may help the rich global north societies to pay more attention to the troubles of developing nations and argue the case for the need to change rules of multilateral institutions to better represent the new world realities of the 21st century. Brazil and India are not revisionist powers who want to destroy the international order: they are reformist actors that search for peaceful, gradual change. A strategy of "soft balance", as called by Hurrell (2009).

The cooperation of Brasília and Delhi since the 2000s already has an impressive record of achievement, both in multilateral organizations and in the BRICS (Stuenkel, 2015). There also many issues where both countries can improve their coordination in multilaterals forums to boost their national interests. Some examples are:

- International peace and security: with the reform of the UN Security Council out of the mainstream of global agenda, other issues deserve more attention: the rules that govern the use of force, the need for a more cautious approach to military intervention, especially in North Africa and the Middle East (Libya, Syria, Yemen). The doctrine of Responsibility to Protect must be better developed, and the Brazilian idea of "Responsibility While Protecting" is a good starting point.
- Environment, climate change, right to water. The American decision of leave the Paris Agreement increases the responsibility of the BASIC countries concerning global negotiations on climate, highlighting issues such as water scarcity, which is becoming a serious problem in all countries of the group.
- Internet Governance and Information technology. Brazil and India are important global players in these agendas, with a common position of criticism of the US-led ICANN regime. Together, they can make BRICS a more effective group on the issue, as least regarding the minimum common ground of strengthening the UN in Internet governance. (Hurel and Santoro, 2018).
- International promotion of democracy and human rights. Democracy is in crisis in many countries, with the rise of populist and authoritarian reactions to globalization. Brazil and India are not immune to these troubles, but they can present an approach to the promotion of democratic values and human rights that is less interventionist than the West, based upon their own histories of social achievement (Stuenkel, 2010).

IV. The Asian Spillover for Brazil of the Multilateral Nexus

Brazil and India multilateral cooperation is important in itself, and it can help both countries to improve global governance towards their needs and demands. However, there is a bonus for Brazilian foreign policy. Better relations with Delhi may also give Brasília more leverage in the dialogues with Beijing and open perspectives for Brazil in some sub-regions of Asia, especially the South and the Southeast.

The relation with China is one of the more important for the current Brazilian foreign policy. The Chinese market is the destination of about 30% of the national exports, and the source of billions of dollars in investment (Cariello, 2019). But these strong economic links come with limitations: 80% of the Brazilians sales to China are concentrated in three commodities (soy, oil, iron ore).⁵ Beijing has lots of power to define that agenda as a price-taker or to settle tariffs and other forms of trade barriers that may cause harm to Brasília.

Brazil has few cards to play in order to gain better conditions in its dealings with China. However, a strong relation with Delhi would give Brasília more advantages in its dialogue with Beijing. This is the same spirit that in the past oriented "triangular relations" between Brazil, United States and Europe or Latin America. The potential gains for Brazil are even bigger this time, due to what is at stake in the Sino-Indian disputes for borders and influence in the Indian Ocean.

Other positive spillover for Brazil of the multilateral nexus is using the connection with India to open diplomatic possibilities with its allies in Asia. The rising living conditions in the continent are creating a broader middle class with hundreds of millions of consumers. These are important assets for Brazilian foreign policy, but in many cases the government or private companies lack information or good contacts that could result in economic gains for Brazil. (Barbosa, 2017).

India may provide some of these, at least in South and Southeast Asia. Emerging markets such as the 10-country nations of the Association of Southeast Asia Nations (Asean), with 500 million inhabitants, are very promising for Brazil. The post-authoritarian transitions in Myanmar and Sri Lanka and the successful experiences in social policy in Bangladesh also create opportunities. Special initiatives inside BRICS or IBSA could give a better institutional approach to boost Brazil's presence in these regions.

⁵ Source: http://www.mdic.gov.br/index.php/comercio-exterior/estatisticas-de-comercio-exterior. Access in January 2019.

Last, but not least, Brazil must also be aware of the new regional institutions which are a growing influence in Asia's regional security complex, especially the Shanghai Cooperation Organization (SCO). Some kind of dialogue between SCO and BRICS would be good for Brazilian diplomats and military officers, enabling them to have a better understanding of the problems concerning terrorism, religious and ethnic tensions in the region.

V. Conclusion

The rise of Asia is perhaps the most important characteristic of the new post-Cold War world order. The core of that change is the increasing power of China and India. Brasília must search for a stronger bilateral relation with Delhi, but due to the structure of the economy of both countries, on the short run the best way to conduct this is through the multilateral nexus, with more and better cooperation with India in the UN, BRICS, IBAS, BASIC, G4, and both G20 and other international groups and organizations.

That agenda would improve from the achievements of the past, especially that Brazil and India do not need to share the same positions on the major global issues of the day in order to have a good level of cooperation in multilateral fora. That happens because both nations are moderate revisionists who want peaceful and gradual reform in an international order led by the West, even if they have different national identities and if they relate to the United States and European Union in their own ways.

The multilateral dialogue between Brasília and Delhi has many points: economic global governance, climate change, a cautious approach towards international rules for the use of the force, a less interventionist perspective for the promotion of democracy and human rights, the will to change the Internet regime, and so on. These conversations boost the national interest of both countries, and for Brazil they have the extra benefit of opening good possibilities for diplomatic action in the emerging markets of South and Southeast Asia.

Although there is a good level of dialogue among both governments, the interaction between the civil societies of Brazil and India is still quite low and there is need for more people-to-people diplomacy (Vazquez, 2019: 28). This is the best to identify there points of the bilateral agenda with more potential to grow.

On the short term, Brazil's presidency of the BRICS offers an important framework for the dialogue with India, with the decision to focus on educational and scientific cooperation.⁶

⁶ Source: <u>http://brics2019.itamaraty.gov.br/presidencia-brasileira-2019/mote-e-prioridades</u>. Access on December 2019.

A mutual understanding in these areas can be the basis for the multilateral action of both countries in fields such as Internet governance and other IT issues, as highlighted in this paper.

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Recebido em: janeiro/2019. Aprovado em: dezembro/2019.